

INVESTMENT BROCHURE





Development Vision

To create a dynamic, harmonious and well-balanced city precinct of the highest aesthetic, landscape and urban design quality and which celebrates the notion of African Urbanism.



Michael Deighton, Tongaat Hulett
executive responsible for Property
Developments



His Worship, The Mayor, Cllr Obed Mlaba

The Joint Venture

The Effingham Development Joint Venture:

- A Private-Public Partnership between eThekweni Municipality and Tongaat Hulett (private developer) formed in 2002.
- Brought to the market 120ha of prime industrial land at RiverHorse Valley Business Estate (RHVBE) at a time when businesses were threatening to relocate from the city due to space constraints.

Tongaatt Hulett owned land at Effingham (under sugar cane) and Phoenix South Industrial Park and approached eThekweni Municipality to form a partnership to deliver bulk services and roads to the areas to create an industrial/business park and a new town, respectively.

- An award-winning partnership – received the SAPOA Partnership Award & KZN Top Business Partnership Award in 2007, in recognition of the RHVBE Development.
- Has invested profits from RHVBE back into Bridge City.

The JV's vision was to create jobs and to establish opportunities for new business to set up and for established business to relocate to RiverHorse Valley and to create, in Bridge City, the first new town centre in a previously disadvantaged region in South Africa.

Strong track record:

RiverHorse Valley Business Estate

- More than 100 businesses relocated to RHVBE since 2003, set to double by 2009
- Unlocked 1200 000m² of commercial space
- In excess of R300 million worth of infrastructure around RHVBE

Point Development

- 135 000m² of bulk sold in Phase I
- Land sales valued at R140 million during the 3-year partnership
- Further private sector expenditure in buildings, fixtures, furnishings and fittings of R800 million

Stakeholder Engagement

- Socio-economic impact studies will monitor impact on the local economy
- Identifying key stakeholders
- Establishment of Stakeholder Engagement Forum
- Developing empowerment programmes
- Monitoring delivery
- Cooperation among different stakeholders to ensure sustainability in diversity

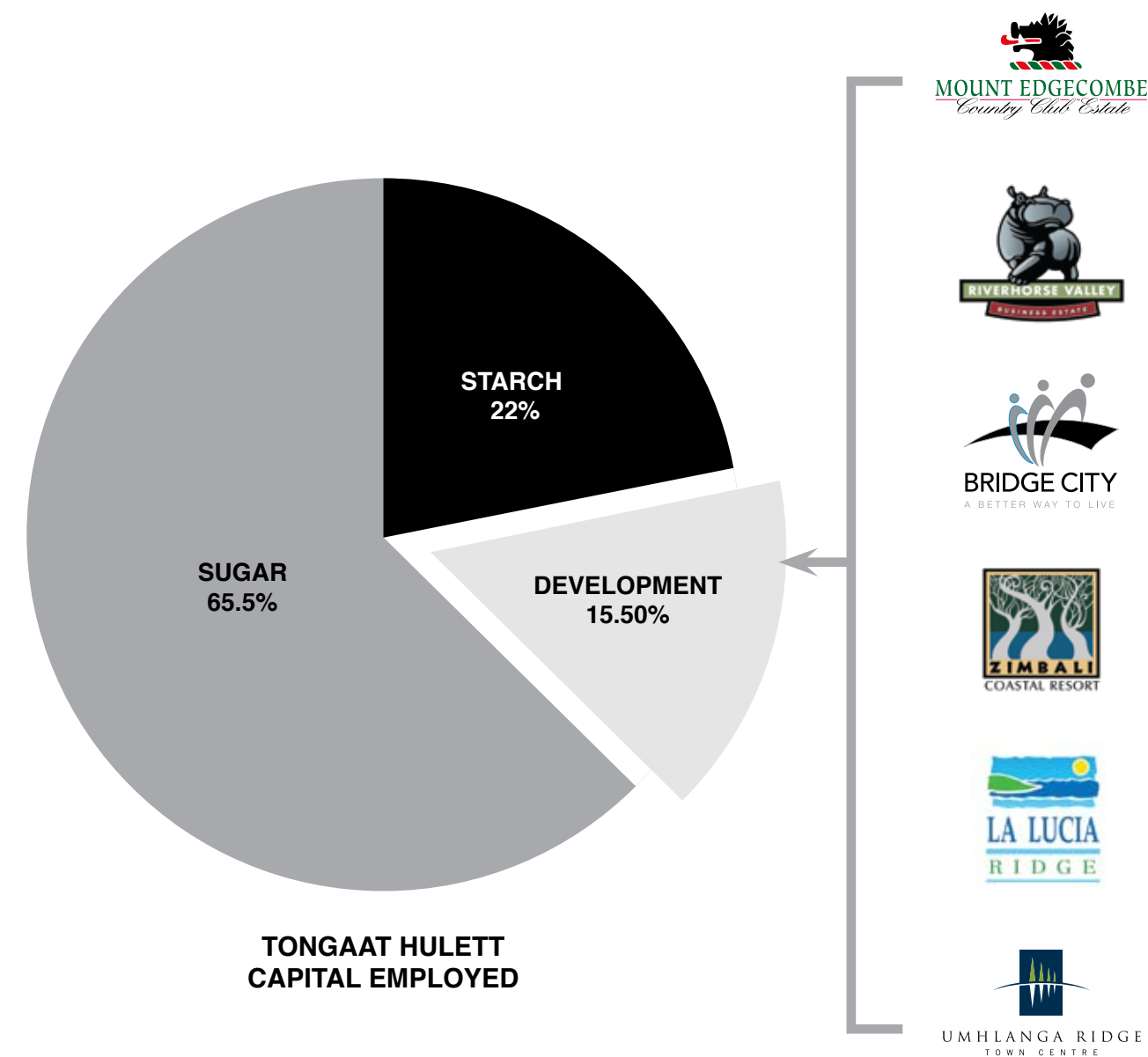


RiverHorse Valley Business Estate



Bridge City

Tongaat Hulett



Tongaat Hulett is an integrated agri-processing business. Its land management and property development component has established a reputation for excellence as one of South Africa's leading private land developers.

The quality of world-class developments such as Zimbali Coastal Resort, Mount Edgecombe Country Club Estate and most recently, mixed-use urban developments at Umhlanga Ridge Town Centre and Umhlanga Ridgeside, are integral to the growth of the city and province. In its quest for sustainability, Tongaat Hulett Developments is creating relevant, holistic environments, in which we can all live, work, play, pray and learn within our fair share of the Earth's resources. Future & current development includes Sibaya, Izinga, Ridgeside, Zimbali Lakes and Cornubia with significant housing components.

Tongaat Hulett has been appointed – by the Joint Venture between eThekweni Municipality and Tongaat Hulett – as the development manager responsible for implementing the Bridge City development.



“Bridge City will most certainly become a catalyst for growth and development and its ripples will spread wide across the community, creating development and investment opportunities.”

Obed Mlaba, Mayor, eThekwin Municipality.

Ethekwini Municipality

The advancement of INK (Inanda, Ntuzuma and KwaMashu) is a Presidential Lead Project and the development of Bridge City facilitates the provision of key facilities, services and infrastructure to these communities. This is the first ‘New Town Centre’ to be developed in an area such as INK in South Africa.



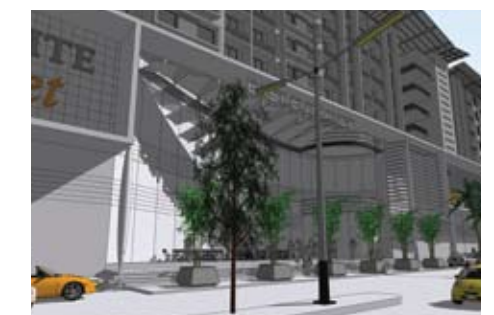
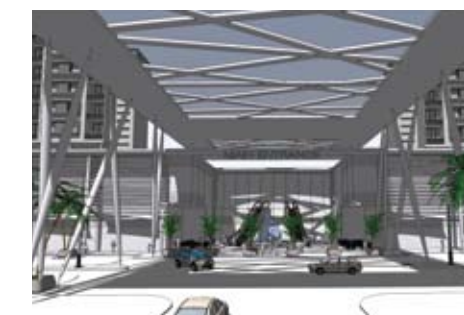
BRIDGE CITY: Living The South African Dream

Total area..... 750 000m² (including second phase, lower platform)
Location..... Bridging INK precincts (Inanda, Ntuzuma & KwaMashu) & Phoenix
Population of immediate area.....+/- 800 000
Primary focus.....Local INK residents & businesses
Total investment.....Estimated at R5 billion
Economic potential...Catalyst for growth and expansion, reaching far beyond Durban/KZN

- Sustainable development through business growth, sustainable employment & advanced infrastructure
- Small & large business development
- Broader economic participation
- Opportunities across a range of sectors, including possible R1 billion in retail sales per annum

Projected Job Creation:

Permanent (on completion).....25 000
Temporary construction.....27 500
Secondary construction/services.....10 400





Location & Context

17 kilometres from the Durban city centre, Bridge City integrates the communities of Inanda, Ntuzuma and KwaMashu and Phoenix, linking them into the urban system.

- Bridge City forms part of eThekweni's high priority public transport corridor. The development has a significant role to play in reshaping the Durban region:
 - Integrating communities
 - Unlocking opportunities
 - Creating fundamental change in perceptions of South African townships

Objectives for INK:

- Creating a sustainable catalyst for social and economic development in the INK area.
- Empowerment of surrounding communities by improving access to public transport and opportunities to work, travel, shop and do business within the INK area.
- Draw developers and suppliers, who can deliver within a reasonable timeframe, from local communities wherever possible.
- Offer opportunities to the open market, but give preference specifically to local INK residents and businesses with the appropriate level of capacity to participate.
- Create opportunities for ownership and economic entry at all levels.
- Develop an empowerment plan using the Property Sector Transformation Charter as its framework.
- Create symbiotic relationships between private & public sectors, particularly in the area of transport.



Urban Environment

“The Bridge City Town Centre development is one of a kind in South Africa because of the kind of living space it is going to generate.”

Urban characteristics:

- Mixed-use development
- High density
- Highest aesthetic standard
- Vibrant, dynamic & balanced
- Focus on quality
- Management Association ensures high security & well-maintained urban spaces

Obed Mlaba, Mayor, eThekweni Municipality.



Bridge City’s high quality, well-maintained urban environment features:

- ‘Pedestrian-friendly’ surroundings
- ‘Walking distance’ planning to minimise vehicle usage
- Well-developed, carefully crafted public spaces
- Tree-lined boulevards to ensure free flow of traffic
- Wide pavements
- Paved pedestrian areas with street furniture and good lighting
- Traffic calming system to enhance pedestrian safety
- Entertainment sites including restaurants, hotels & entertainment venues, providing an additional economic catalyst and sources of supplementary tourism income
- Potential for ‘urban’ schools and tertiary education

A typical town block consists of:

Ground floor – Retail

1st floor – Commercial/Office

2nd floor & above – Residential Units

Maximum height 6 to 11 floors

Parking facilities to be provided either underground, or incorporated into the building



Infrastructure

Road upgrades:

- Bester Circle upgrade
- Bhejane Road extension
- MR93/M25 half diamond interchange
- Rail line & station (line terminates in Bridge City)
- Taxi/bus/inter-modal facility
- Transport node capacity: 40 000 passengers per peak 3-hour period, 100 000+ commuters per day

Progress to date:

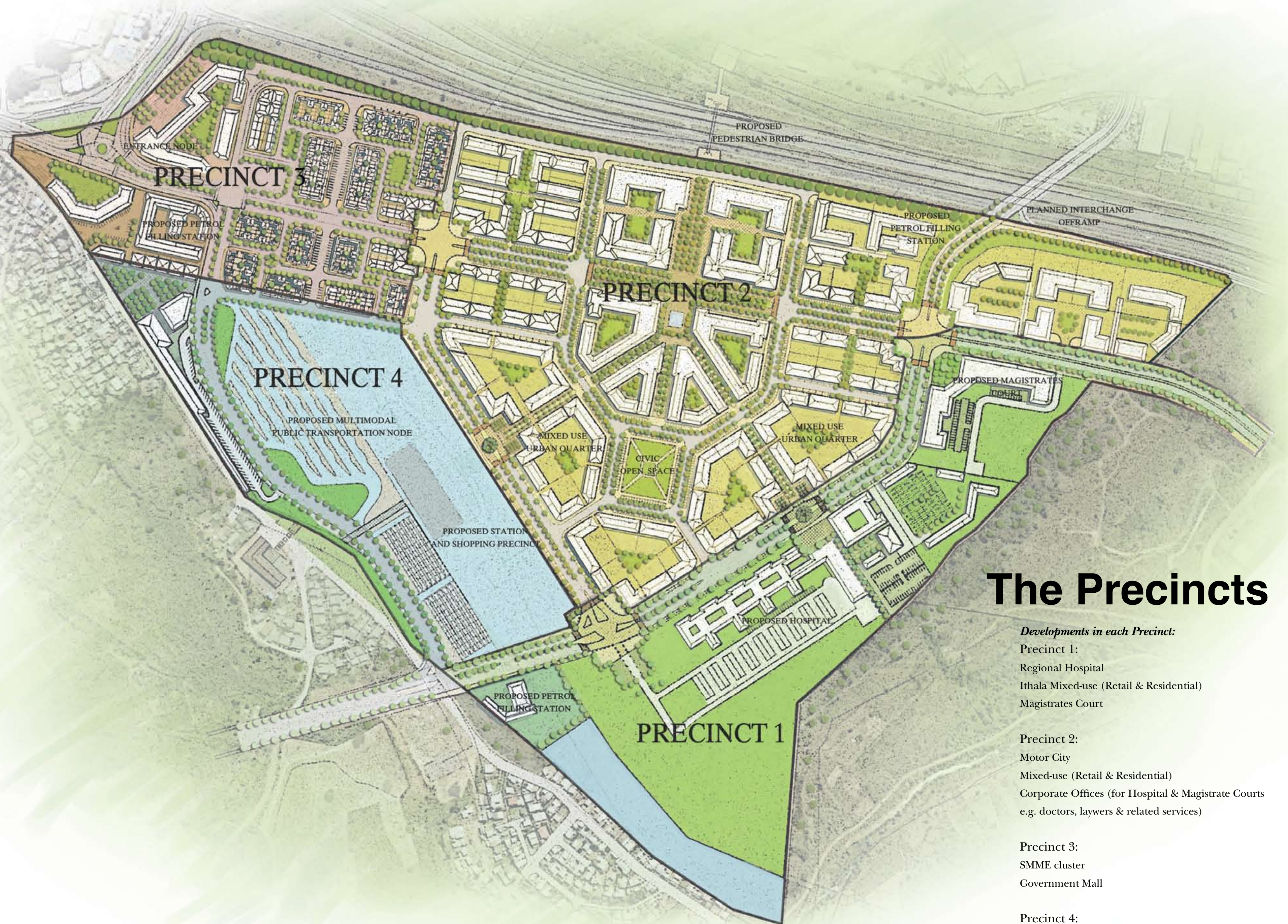
Civil contract Phase 1 completed in May 2008

- Construction of Bhejane Road
- Main Boulevard
- Earthworks bulk services
- Bhejane ‘Road over Rail Bridge’ contract awarded in July 2008 – completion April 2009

Phase 2 contract awarded August 2008 – completion October 2009

- Roads & services to shopping centre, inter-modal and railway station sites, plus other essential access infrastructure





The Precincts

Developments in each Precinct:

Precinct 1:

Regional Hospital
Ithala Mixed-use (Retail & Residential)
Magistrates Court

Precinct 2:

Motor City
Mixed-use (Retail & Residential)
Corporate Offices (for Hospital & Magistrate Courts
e.g. doctors, lawyers & related services)

Precinct 3:

SMME cluster
Government Mall

Precinct 4:

Shopping Centre (Retail & Residential)
Inter-modal Facility (Railway Station, Taxi & Bus Terminal)



Streets & Spaces

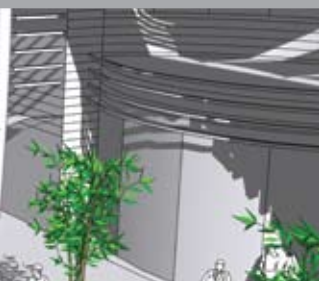
- Parks, open squares & urban spaces essential to good urban planning
- Vibrant, secure, well-maintained public spaces attract residents and visitors alike
- Enhance Bridge City experience
- Added security factor – CCTV cameras, foot patrols, response vehicles
- Creates pride & sense of ownership

A design review panel will ensure that all developments are in line with the Bridge City vision, including adherence to empowerment plans, environmental management plans and BBBEE requirements.



Key Developments within BRIDGE CITY

450-bed Provincial Hospital	40 000m²
Regional Magistrates Court	13 136m²
Regional Services Hub	21 474m²
Railway Station Concourse	300m²
Inter-modal Transport Facility	12 000m²
Shopping Centre	40 000m²
(+13 000m² in 2nd phase)	
Ithala Development	17 718m²
Additional Retail including:	150 000m²
Motor city (22 000m²)	
SMME sites to encourage enterprise development	28 444m²
(7 700 m² sold)	
3 filling stations (total bulk including residential)	27 251m²
Total: 350 323m²	



Visionary World-Class Development

Residential Opportunities

- Visionary residential opportunities
- Apartment-style living
- Studio, 1, 2 and 3 bedroom options
- Projected 4500 residential units
- Size varying from 30m² – 90m² or more
- Construction begins 2008
- Occupation from early 2009



Prime Commercial Space

- 250 000m² of prime business space (larger than La Lucia Ridge Office Estate)
- Central location
- Accessible to a large surrounding population with growing skills base
- Well serviced by public transport





Sound Town Management

Management Associations

The purpose of the Management Association is to create, enhance and protect the value of property ownership and occupation within Bridge City. Property owners are direct members of their associations. Tenants, neighbouring communities, visitors to the area and a wide range of other stakeholders are also beneficiaries of the activities of the association.

To achieve its purpose the Association, under direction of their Board, provide management structure and contract service providers in respect of security/safeguarding, landscaping maintenance, general maintenance, environmental management, design review and administration.

This includes:

- Advancement and protection of the interests of its members (owners of immovable property).
- Regulating the environment, with particular focus on safeguarding and environmental management.
- Controlling and coordinating development through the Design Review Panel, with particular reference to aesthetic standards, design, contractor management and signage review.
- Providing, promoting and maintaining essential services, amenities and activities.



Investment Opportunities

The scope of function and utilisation within Bridge City is virtually limitless. Educational facilities, from infant care to tertiary institutions, places of worship, hotels and accommodation establishments, call centres, a Government Municipal multi-purpose mall, motor city, service industries and high-tech manufacturing and logistics... at Bridge City, if you have the vision, it can become a reality.

Bridge City offers unique investment and development opportunities. A significant market (in excess of 800 000 people) with affordable land purchase costs, located on an inter-modal transport facility (potentially 100 000 people per day), easy access to the N2 Highway, committed developments (Shopping Centre, Regional Hospital, Regional Magistrate Courts, Ithala Mixed-use Developments and SMME Mixed-use Development) with the Shopping Centre and Taxi Rank due to be completed by October 2009, and the rest due to start shortly. Bridge City is ideal for enterprise development and job creation, especially for the local INK region.

- Investment opportunities for 2010, including township tourism - Bridge City provides a ‘shop window’ into the INK area
- Groundbreaking South African development aimed at a growing market
- Low entry prices
- Mixed-use sites available for development in blocks of 5 000 – 20 000 m²
- Individual sites from 800 – 5 000m²



Investment To Date

Planned development	Developer	Size
Provincial Hospital	Department of Health	35 000m ²
Magistrate Court	Department of Justice	13 137m ²
Mixed use development	ITHALA	13 629m ²
Shopping Centre Development	Crowie Projects	51 983m ²
SMME Development Zone	Yellow Point Investments for Sakhisizwe	5 337m ²
	Total	132 783m ²

Total sites sold & transferred as 30 April 2008: R78.3 million in land sales
R2.1 billion investment value

Marketing & Sales Support

Tongaat Hulett's marketing team has a firm track record in creating demand and attracting purchasers and potential tenants to its developments. The company's expertise and experience is creating strong branding and impactful campaigns to ensure that all potential purchasers, tenants and visitors are aware that Bridge City really is happening – Ziyakhipa!

BRIDGE CITY – LAND SALES PROCESS

1. First Step:

- The Potential Developer/Purchaser (hereafter called the Developer) will secure an appointment with a Sales Consultant (Tel: 031 500 4628 or 0800 212164 toll free).
- Meet the Sales Consultant and go through the Bridge City vision, concept, permitted uses, zoning, development controls and Precinct plans.
- The Developer must prove that he is able to raise finance for the deposit, the balance of the purchase price and the estimated development costs.
- The Developer must indicate what legal entity (e.g. a company, CC, etc.) will purchase the site(s) and undertake the development and must supply details of the directors/members and its current financial standing.
- Once the proposed development concept and the intended use is agreed, the Developer, in conjunction with the Sales Consultant, selects a particular site(s) or block of sites that most suits the concept.
- The Sales Consultant hands over all relevant plans & documents, i.e. Precinct Plans, Sales Plans, Development Manual, Construction Design Review, Developer Checklist & S.G. (Surveyor General) Diagrams, if available.
- Q & A Session.

2. Second Step:

- The Developer will secure a second appointment with the Sales Consultant to present the initial concept and business plan with conceptual designs prepared by his architect. The business plan must show that the development is likely to be financially viable.
- Comments are recorded by the Developer to be addressed for further presentation to the Sales Consultant.
- The parties agree to meet again to relook at the concept/business plan, if needed.

3. Third Step:

- Once the concept and business plan are acceptable to both the Sales Consultant and the Developer, the Sales Consultant will schedule the first formal DRP (Design Review Panel) Meeting.
- The detailed Design Concept, Business Plan and preliminary feasibility study is then presented by the Developer and his Technical Team to the DRP panel.
- Q & A session with the DRP panel.
- Further DRP meetings will be held until the DRP is satisfied that the development scheme is within the Precinct Plan and Scheme controls, the bulk (to be purchased) is within the maximum permitted bulk, and the overall scheme is acceptable to the DRP (as provided for in the Development Manual).
- A Draft Sale Agreement is then prepared and sent to the Developer for comment.
- Action points are agreed and recorded by the DRP Team and the next DRP meeting is scheduled.
- Minutes of the meetings are circulated to all present.

4. Fourth Step:

- Once all the design scheme issues have been resolved and the developable bulk is agreed, the Sale Agreement is finalised and submitted to the Developer for final consideration and signature.
- A Signed Sale Agreement is then submitted to THD with all relevant supporting FICA (Financial Intelligence Centre Act) documents and other annexures as required by the Sale Agreement (failing which, the agreement will not be signed by the seller). Proof of deposit of the Deposit (10% of the purchase price) into THD's Attorney's account must also be submitted to THDev, on the date of signature by the seller. Failure to make the deposit will render the sale agreement null and void (cancelled).
- The process is then handed over to THD and its nominated Conveyancing Attorneys to effect registration of transfer of the property into the name of the Purchaser.

5. Fifth Step:

- The process of DRP approvals continues. This process is outlined in the Development Manual and includes approval of both a Site Development Plan (SDP) and Building Plans, firstly by THD and then by eThekwini Municipality.
- Development on site may only commence once the Building Plans have been approved by eThekwini Municipality.

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